

Honorable Mayor and Members
Of City Council
City Hall
Torrance, California

Members of Council:

SUBJECT: City Treasurer - Accept and file Investment Report for April 2013

RECOMMENDATION

Recommendation of the City Treasurer that City Council accept and file the attached monthly investment report for the month of April 2013.

FUNDING

Not applicable

BACKGROUND

On December 18, 2012, Your Honorable Body, through passage of Resolution 2012-94, adopted an official "Statement of Investment Policy" as recommended by the City Treasurer. The City's Statement of Investment Policy requires the City Treasurer to report a monthly statement of investment activity. This requirement is provided in the attached report.

Investment Committee Note

The Investment Committee, made up of the Finance Director, City Manager, City Attorney, City Treasurer and Deputy City Treasurer, as created by your Honorable Body, has reviewed the attached report.

Respectfully submitted,


Dana Cortez
City Treasurer

Noted:

LeRoy J. Jackson
City Manager

CC: City Manager
City Clerk

Investment Report Summary Notes for April 2013

Investment Activity during the Period

The investment activity for April included 5 purchases and 8 redemptions. There were 2 CD purchases with an average yield of 1.08%. Three Agencies were purchased with an average yield of .60%. Purchases breakdown:

	<u>PAR VALUE</u>	<u>TERM</u>	<u>RATE</u>	<u>YIELD</u>	<u>STRUCTURE</u>
CIT Bank	245,000	5 years	1.150%	1.150	Bullet
Cathay Bank	245,000	5 years	1.000%	1.000	Bullet
FHLMC	3,000,000	4.25 years	1.000%	0.660	Bullet
FHLMC	5,000,000	3.25 years	5.500%	0.420	Bullet
FNMA	3,000,000	4.5 years	0.875%	0.720	Bullet

There were 6 calls, 1 maturity and 1 sale for a total of \$11.3 million with an average yield of 1.123%.

	<u>PAR VALUE</u>	<u>TERM</u>	<u>RATE</u>	<u>YIELD</u>
FFCB	1,000,000	4 Years	2.200%	2.198%
FFCB	1,000,000	5 Year/Called in 1	1.360%	1.360%
FNMA	2,000,000	4 Year/Called in 1	1.000%	1.000%
Farmer Mac	3,090,000	5 Year/Called in 1	1.200%	1.220%
Toyota Motor Credit Corp	2,000,000	3 Year/Called in 1	.500%	0.500%
FFCB	1,000,000	4 Year/Called in 1	.730%	0.764%
FHLB	1,000,000	5 Year/Called in 1	1.250%	1.351%
CIT Bank	245,000	Broker Buy Back	1.200%	1.180%

The LAIF balance increased by \$9.5 million and the average monthly yield was .264%. The portfolio increased by \$ 9.0 million. The increase of the portfolio was primarily due to Property Tax and Franchise Tax in excess of \$10 million

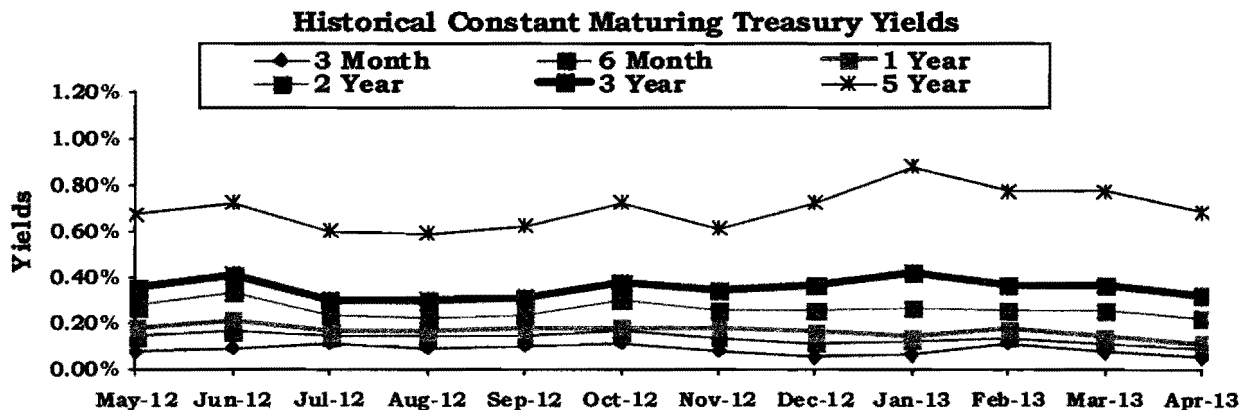
Liquidity of the Portfolio

The average investment in the portfolio matures in 822 days which is a decrease of 73 days from the month of March. The goal is to keep the portfolio at an average of 913 in order to meet our liquidity requirements. The portfolio has about 30% or (\$50.7million) that will mature within six months. Per our projected cash flows for the next six months expenditures exceed anticipated revenues in the amount of \$30.7 million*. The excess liquidity in the portfolio is due to required set aside funds for TRAN in the amount of \$33 million. TRAN set aside funds are held in our LAIF account thus bringing down our days to maturity for the portfolio below the desired goal. (*Anticipated Pooled Expenditure Report provided)

Investment Comparison to Benchmark

For the month of April the City's yield to maturity on pooled investments was .982%. The yield declined .13 basis points from the previous month. The Average Effective Rate of Return for fiscal Year to date is 1.250%. The average yield on the 3 year U.S. Constant Maturing Treasury (CMT) ending April 2013 was .32%, which was a decline from the previous month. The portfolio performed above our benchmark (CMT) by 67 basis points (.67%). The 3 year constant maturing treasuries is used as a benchmark as it closely resembles our portfolio as it is the safest investment pool with a similar term.

The graph below tracks the US Constant Maturing Treasury yields for the past twelve month period for a variety of



Prepared by the City Treasurer's Dept. for Investment Advisory Committee reference.

Investment Report Summary Notes for April 2013

terms.

Portfolio Forecast

April brought an array of economic events. DJIA dropped 250 points on weak economic data in the U.S. and abroad. The concerns of what happened at the Boston Marathon. Gold experienced its biggest one-day loss of \$125 an ounce. Worries stemming from the sale of Cyprus gold to pay for part of its bailout, weak growth in China, falling commodity prices and the potential for continued unrest in the euro-zone just to name a few. April concluded with a mixed bag of news which reinforced the fact that the economy still has a long way to go before sustained growth can be expected. The economy may be progressing but it is at a modest or moderate pace thus supporting the fact that labor markets, although stable, remained unchanged or slightly improved. The market was made aware that F.O.M.C. started conversation about ending Quantitative Easing which caused a negative market reaction. F.O.M.C. was forced to make the statement that they will stay the course as long as the economy is perceived to be fragile. Low rate will continue.

Other Matters:

Pending questions from the prior meeting: Bank of Baroda-(India) has headquarters in New York and participates in FDIC which is why we are able to purchase CDs from this entity.

Expected Pooled Expenditure report is included with this month's report.



CITY OF TORRANCE
Monthly Investment Portfolio Report
April 30, 2013

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Investment Report

April 2013

Investment Portfolio Highlights

RETURN	<u>Current Month</u>	<u>Previous Month</u>
Average City Portfolio YTM	0.982%	1.104%
Average U.S. Treasury Constant Maturity - 3 year	0.320%	0.360%
LAIF Average Monthly Return	0.264%	0.285%
Average City Portfolio YTM - 1 year prior	1.448%	1.446%
INTEREST INCOME	<u>Current Period</u>	<u>Prior Year</u>
Fiscal year to date	\$1,587,712	\$2,113,440
Current month	\$142,320	\$138,840
MATURITY	<u>Current Month</u>	<u>Prior Month</u>
Average Maturity (days)	822	895
Average Maturity 1 Year Prior (days)	1216	1020
Weighted Average Maturity (years)	2.25	2.45
VOLUMES	<u>Total \$ Volume</u>	<u># of Transactions</u>
Purchases	\$60,042,708	10
Maturities/Redemptions	\$45,265,692	11

Portfolio Activity Summary

Month End	Year	Number of Securities	Average Balance	Yield to Maturity	Yield to Managed Pool	Investments	Investments	Average	Average
				360	365	Purchased	Redeemed	Term	Days to Mat
April	2012	106	166,719,089.02	1.415	1.434	7	3	1,317	1,048
May	2012	105	178,400,048.85	1.349	1.368	2	3	1,256	983
June	2012	100	183,392,700.59	1.262	1.280	1	6	1,181	900
July	2012	94	162,037,232.18	1.387	1.406	4	8	1,386	1,045
August	2012	98	145,326,329.75	1.332	1.350	10	6	1,377	1,039
September	2012	105	147,274,617.22	1.337	1.356	14	7	1,418	1,084
October	2012	106	146,172,452.79	1.302	1.320	4	5	1,393	1,040
November	2012	103	141,033,420.88	1.310	1.328	5	6	1,455	1,084
December	2012	102	140,618,535.57	1.250	1.267	5	6	1,392	1,034
January	2013	105	152,968,245.09	1.142	1.158	6	3	1,272	946
February	2013	103	163,915,482.24	1.072	1.087	2	4	1,199	897
March	2013	103	162,544,777.21	1.089	1.104	3	3	1,228	895
April	2013	101	163,304,444.50	0.969	0.982	6	8	1,120	822
Average		102	157,902,425.15	1.247%	1.265%	5	5	1,307	986



Investment Report

April 2013

Portfolio Activity Detail

Investment Number.	BROKER	PURCHASE DATE	DESCRIPTION	QUALITY RATING	MATURITY DATE	DAYS HELD/ DAYS TO MATURITY	RATE	YIELD	PAR VALUE	Book Value	MARKET VALUE
PURCHASES											
11093	Vining Sparks	4/17/2013	CIT Bank	FDIC	4/17/2018	1812	1.150%	1.150%	245,000	245,000	243,890
11094	Vining Sparks	4/12/2013	Cathay Bank	FDIC	4/12/2018	1807	1.000%	1.000%	245,000	245,000	244,027
11095	Citigroup	4/23/2013	FHLMC	AA+/Aaa	7/28/2017	1549	1.000%	0.660%	3,000,000	3,042,587	3,042,780
11096	Great Pacific Securit	4/26/2013	FHLMC	AA+/Aaa	7/18/2016	1174	5.500%	0.420%	5,000,000	5,809,950	5,805,100
11100	Wedbush Securities	4/26/2013	FNMA	AA+/Aaa	10/26/2017	1639	0.875%	0.729%	3,000,000	3,020,487	3,020,160

MATURITIES/CALLS

10800	Citigroup	5/8/2009	FFCB	AA+/Aaa	4/8/2013	1431/1431	2.200%	2.198%	1,000,000	1,000,000	1,000,000
11032	Great Pacific Sec.	4/4/2012	FFCB	AA+/Aaa	4/4/2017	365/1826	1.360%	1.360%	1,000,000	1,000,000	1,000,000
11033	Citigroup	4/26/2012	FNMA	AA+/Aaa	7/26/2016	365/1552	1.000%	1.000%	2,000,000	2,000,000	2,000,000
11035	Vining Sparks	4/26/2012	Farmer Mac	AA+/Aaa	4/26/2017	365/1826	1.200%	1.220%	3,090,000	3,090,000	3,090,000
11036	Wedbush Securities	5/1/2012	Toyota Motor Credit Corp	AA-/Aa3	4/30/2015	364/1094	1.000%	0.500%	2,000,000	2,000,000	2,000,000
11048	Great Pacific Sec.	7/26/2012	FFCB	AA+/Aaa	7/26/2016	260/1461	0.730%	0.764%	1,000,000	999,794	1,000,000
11088	Citigroup	2/22/2013	FHLB	AA+/Aaa	2/22/2018	59/1826	1.250%	1.351%	1,000,000	1,000,000	1,000,000
11092	Vining Sparks	3/27/2013	CIT Bank	FDIC	3/27/2018	33/1826	1.200%	1.180%	245,000	245,000	245,000

0.591% \$11,490,000 \$12,363,023 \$12,355,958

1.123% \$11,335,000 \$11,334,794 \$11,335,000

State of California Local Agency Pool	Beginning Balance	Rate	Yield	Deposits	Withdrawals	Interest Accrued	Ending Balance
City	-	0.264%	0.264%	36,120,784	8,620,784	20,784	27,500,000
TRANS Repayment	36,000,000	0.264%	0.264%	-	18,000,000	-	18,000,000
	\$36,000,000			\$36,120,784	\$26,620,784	\$20,784	\$45,500,000

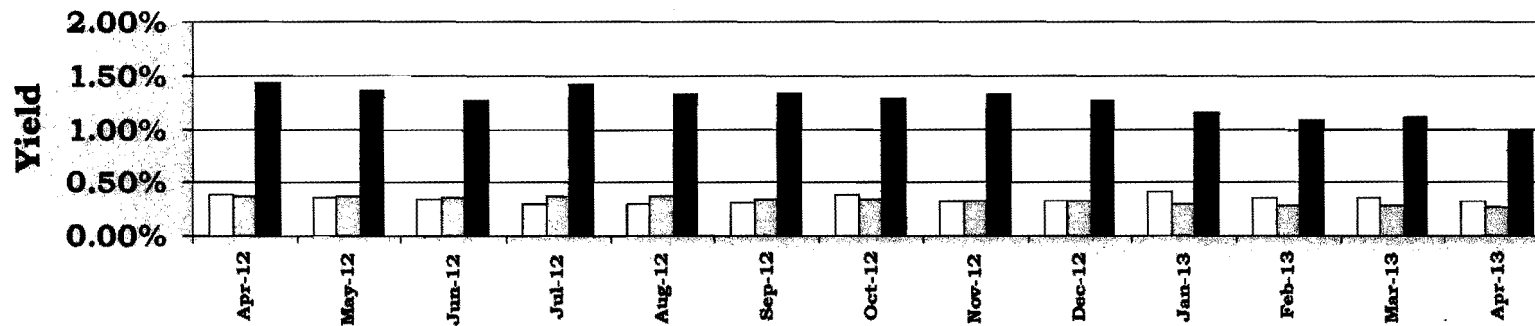


Investment Report

April 2013

Portfolio Performance

- Constant Maturing Treasury - 3 Year (Benchmark)
- Local Agency Investment Fund - State Pool
- Monthly City Yield



Portfolio Earnings Summary

	April 30, 2013	Fiscal Year to Date
CD/Coupon/Discount Investments:		
Interest Collected	\$220,099.36	\$2,052,419.11
Plus Interest at End of Period	\$396,629.61	\$396,600.33
Less Accrued Interest at Beginning of Period	(\$462,513.72)	(\$706,441.98)
Interest Earned	\$154,215.25	\$1,742,577.46
Adjusted By Premium	(\$21,627.32)	(\$227,003.13)
Adjusted by Capital	\$205.56	\$205.56
Earnings during	\$132,793.49	\$1,515,779.89
Cash/Checking Accounts:		
Interest Collected	\$20,798.44	\$68,824.64
Plus Accrued Interest at End of Period	\$85,964.31	\$85,964.31
Less Interest at Beginning of Period	(\$97,235.77)	(\$82,856.77)
Interest Earned	\$9,526.98	\$71,932.18
Total Interest Earned	\$163,742.23	\$1,814,509.64
Total Adjustments from Premium and Discounts	(\$21,627.32)	(\$227,003.13)
Total Capital Gains or Loss	\$205.56	\$205.56
Total Earnings this Period	\$142,320.47	\$1,587,712.07

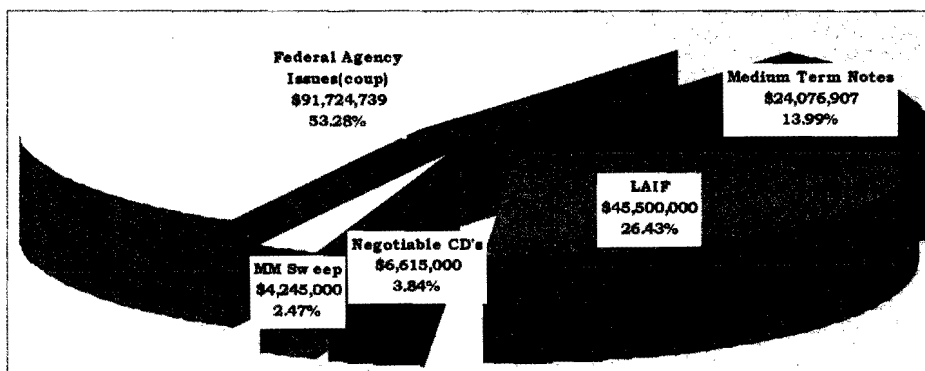


Investment Report

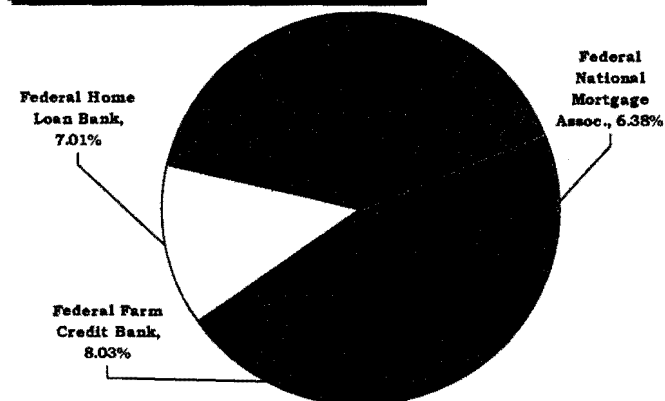
April 2013

Portfolio Distribution

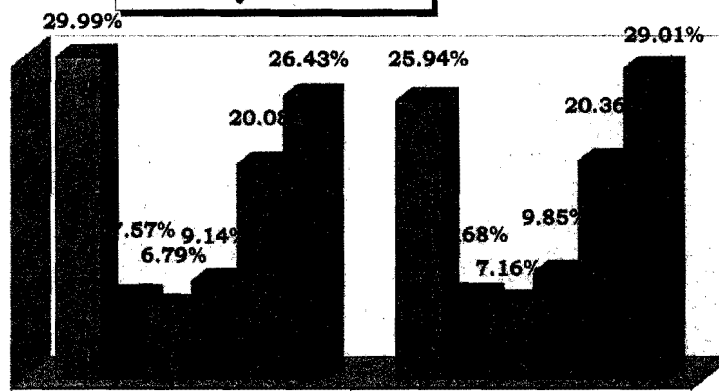
Portfolio Sectors



Federal Agencies Distribution



Maturity Distribution

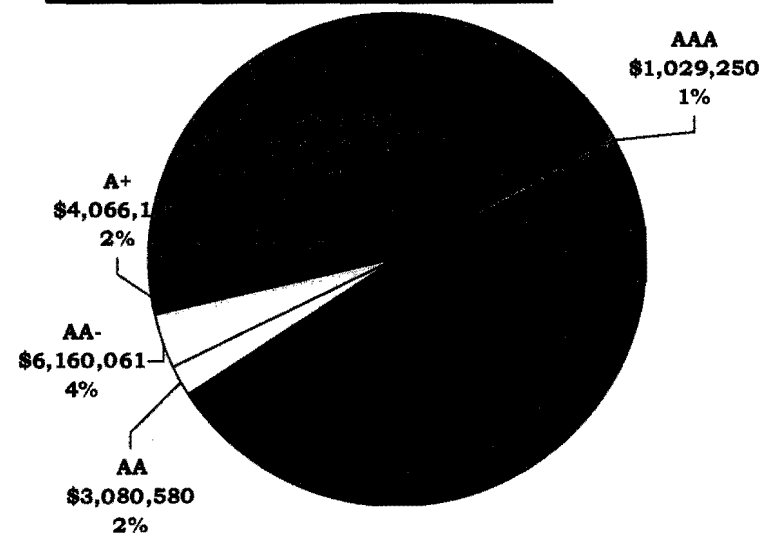


April

March

■ 1 day to 6 months ■ 6 months to 1 year ■ 1 year to 2 years
 ■ 2 years to 3 years ■ 3 years to 4 years ■ 4 years to 5 years

Market Value and Credit Rating Report





Investment Report April 2013

Portfolio Summary

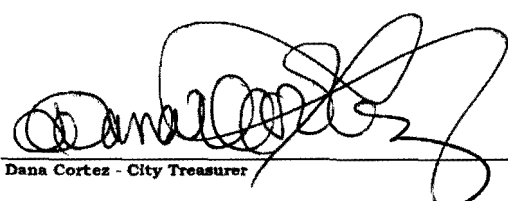
	Book Value	% of Portfolio	% per Policy	Modified Duration	Days to Maturity	Maximum Term	Current Yield
Local Agency Investment Fund (State of California)	\$45,500,000	26.43%	\$50Mll	0.00%	1	N/A	0.264%
Union Bank Custodial - Money Market Account (For Pending Purchases/Interest)	\$4,245,000	2.47%	100%	0.00%	1	N/A	0.001%
Negotiable Certificates of Deposit	\$6,615,000	3.84%	20%	2.48%	924	5 Years	0.889%
Federal Agency Issues	\$91,724,739	53.28%	75%	3.13%	1285	5 Year	1.060%
Farmer Mac	\$18,058,282	10.50%	30%	2.93%	863	5 Year	1.087%
Federal Farm Credit Bank	\$13,672,676	8.03%	30%	2.71%	1018	5 Year	1.253%
Federal Home Loan Bank	\$12,051,536	7.01%	30%	2.95%	1041	5 Year	1.086%
Federal Home Loan Mortgage Corporation	\$36,921,759	21.36%	30%	3.44%	1298	5 Year	0.904%
Federal National Mortgage Association	\$11,020,487	6.38%	30%	4.00%	1499	5 Year	1.269%
U.S. Treasury Securities	\$0		100%			5 Year	
Medium Term Notes	\$24,076,907	13.99%	20%	1.92%	724	5 Year	2.420%
3m		0.58%	5%	0.29%	106	5 Year	1.200%
Barclay	\$3,000,000	1.77%	5%	3.29%	1276	5 Year	3.287%
Bank of Montreal	\$1,001,134	0.58%	5%	4.21%	1594	5 Year	1.373%
Berkshire Hathaway	\$1,001,295	0.59%	5%	0.46%	167	5 Year	4.300%
CocaCola	\$1,083,562	0.63%	5%	0.54%	198	5 Year	1.000%
General Electric	\$989,211	0.60%	5%	2.43%	922	5 Year	2.710%
General Electric Capial Corp	\$7,988,998	4.52%	5%	2.03%	762	5 Year	2.133%
MicroSoft Corp	\$1,000,000	0.59%	5%	1.06%	396	5 Year	2.949%
Toyota Motor Center Corp	\$4,001,591	2.35%	5%	1.86%	692	5 Year	1.364%
Wal-Mart Stores	\$3,002,138	1.78%	5%	1.21%	451	5 Year	2.672%
Total Investments	\$172,161,646	100.00%		2.03%	822		0.982%
Cash In Bank - General	\$1,427,455				Earnings Credit		0.250%
Cash In Bank - Housing	\$1,578,983				Earnings Credit		0.250%
Total Funds	\$175,168,083						

Portfolio Notes:

State of California - L.A.I.F. includes \$18 million TRAN set aside funds.

Effective Rate of Return	
Month Ending	Fiscal YTD
1.06%	1.25

I certify that this report accurately reflects all pooled investments and is in conformity with the City of Torrance Investment Policy Statement adopted by Resolution 2012-94 on December 18, 2012, per California Government Code §53601. A copy of this policy is available at the office of the City Clerk.


Dana Cortez - City Treasurer


Sheila Abalayan - Deputy City Treasurer



Investment Report

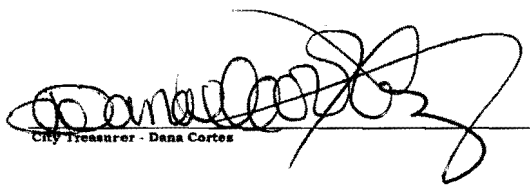
April 2013

	GASB Required Securities			
	Beginning Investment Value as of July 1, 2012	Purchase/Redemption of Principal	Change in Market Value	Ending Investment Value as of April 30, 2013
Federal Agency (Coupon)	\$106,620,084	(\$13,961,270)	(\$369,559)	\$92,289,255
U.S. Treasury Securities	\$0	\$0	\$0	\$0
Negotiable Certificate Deposits	\$1,967,326	\$4,655,000	\$13,720	\$6,636,046
Medium Term Notes	\$32,510,722	(\$7,998,700)	\$89,869	\$24,601,891
Municipal Bonds	\$169,300	(\$169,300)	\$0	\$0
SUBTOTAL PER GASB 31	\$141,267,432	(\$17,474,270)	(\$265,970)	\$123,527,192
 <u>Non-GASB</u>				
Money Market	\$36,426,398	\$9,073,602	\$0	\$45,500,000
Federal Agency - Disc.	\$8,000,000	(\$3,755,000)	\$0	\$4,245,000
Treasury Security - Disc.	\$0	\$0	\$0	\$0
Certificate of Deposits -Disc.	\$0	\$0	\$0	\$0
Commercial paper	\$0	\$0	\$0	\$0
TOTAL PORTFOLIO	\$185,693,831	(\$12,155,668)	(\$265,970)	\$173,272,192

The Governmental Accounting Standards Board (GASB) has established Statement No. 31 for setting investment valuation standards. We will note the unrealized gain/(loss) monthly although we will not physically apply it to earnings until year-end, as GASB 31 requires. The portfolio paper gain or loss is the difference between the book and market value of securities with a maturity term of one year or longer at purchase. The disclosure of paper losses reveals the worse case scenario of liquidity in our portfolio. The philosophy of the city is to buy and hold to maturity.

NOTE: SB 564 passed in 1995, effective February 1, 1996, requires that local agencies submit a quarterly report to the legislative body containing detailed information on all securities, investments, and monies of the local agency. It also requires a statement of compliance of the portfolio with the statement of investment policy and a statement of the local agency's ability to meet the expenditure requirements of the pool for the next six months.

Reviewed by the Investment Advisory Committee:


City Treasurer - Dana Cortez

City Manager - LeRoy Jackson

City Attorney - John Fellows III

Finance Director - Eric Tsao


Deputy City Treasurer - Shadia Abalayan

Monthly Investment Reports
Portfolio Management
Portfolio Details - Investments
April 30, 2013

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Local Agency Investment Funds												
SYS10000	10000	Local Agency Invest Fund GEN'L			27,500,000.00	27,500,000.00	27,500,000.00	0.264		0.264	1	
SYS10000R	10000R	Local Agency Invest. Fund RDA		04/26/2013	0.00	0.00	0.00	0.264		0.264	1	
SYS1000a	1000A	LAIF - TRANS FUNDS			18,000,000.00	18,000,000.00	18,000,000.00	0.264		0.264	1	
Subtotal and Average			40,720,000.00		45,500,000.00	45,500,000.00	45,500,000.00			0.264	1	
Money Market Sweep Account												
316175108S	1000	Union Bank of California			4,245,000.00	4,245,000.00	4,245,000.00	0.001		0.001	1	
Subtotal and Average			2,165,722.63		4,245,000.00	4,245,000.00	4,245,000.00			0.001	1	
Negotiable CD's												
33764JHM0	11052	First Bank of Puerto Rico		08/01/2012	245,000.00	247,812.60	245,000.00	1.250		1.251	1,188	08/01/2016
332135FA5	11069	First National Bank of Omaha		10/10/2012	245,000.00	244,953.45	245,000.00	0.550		0.550	344	04/10/2014
02005Q N90	11044	Ally Bank		08/01/2012	245,000.00	246,813.00	245,000.00	1.150		1.150	824	08/03/2015
02587DL08	11070	American Express Cent		10/04/2012	245,000.00	246,532.90	245,000.00	1.550		1.550	1,617	10/04/2017
037830NA0	11047	Apple Bank Savings		08/01/2012	245,000.00	245,137.20	245,000.00	0.500		0.500	278	02/03/2014
06740AYC7	11090	Barclays Bank		03/12/2013	245,000.00	242,819.50	245,000.00	1.000		1.345	1,776	03/12/2018
07370VLN6	11064	Beal Bank USA		09/26/2012	245,000.00	244,982.85	245,000.00	0.400		0.400	147	09/25/2013
07370TUT8	11063	Beal Bank SSB Plano Texas		09/26/2012	245,000.00	244,982.85	245,000.00	0.400		0.400	147	09/25/2013
06426NGR7	11068	Bank of China		09/26/2012	245,000.00	245,918.75	245,000.00	0.650		0.650	513	09/26/2014
06251AYM6	11062	Bank Hapoalim BM NY		09/26/2012	245,000.00	245,078.40	245,000.00	0.500		0.500	148	09/26/2013
05568PZ91	11073	BMW Bank of North America		11/02/2012	245,000.00	246,264.20	245,000.00	0.950		0.950	915	11/02/2015
060624XH1	11091	Bank of Baroda		03/08/2013	245,000.00	244,103.30	245,000.00	1.250		1.250	1,772	03/08/2018
149159HR9	11094	Cathay Bank		04/12/2013	245,000.00	244,027.35	245,000.00	1.000		1.000	1,807	04/12/2018
17284CBZ6	11093	CIT BANK		04/17/2013	245,000.00	243,890.15	245,000.00	1.150		1.150	1,812	04/17/2018
20033AAU0	11084	Comenity Capital Bank		01/18/2013	245,000.00	245,284.20	245,000.00	0.750		0.750	1,358	01/18/2017
254671GK0	11058	Discover Bank		09/19/2012	245,000.00	247,783.20	245,000.00	1.250		1.250	1,237	09/19/2016
25811L2K4	11077	DORAL BANK		12/07/2012	245,000.00	245,137.20	245,000.00	0.550		0.550	219	12/06/2013
29876DNQ9	11059	EverBank		09/14/2012	245,000.00	247,815.05	245,000.00	0.900		0.900	1,232	09/14/2016
36160XN52	11051	GE Capital Bank		08/03/2012	245,000.00	246,207.85	245,000.00	1.150		1.150	824	08/03/2015
38143AXS9	11045	Goldman Sachs Bank		08/01/2012	245,000.00	246,756.65	245,000.00	1.200		1.200	824	08/03/2015
062782V52	11080	BANK OF INDIA		12/05/2012	245,000.00	245,066.15	245,000.00	0.500		0.500	217	12/04/2013
48124JRY6	11085	JPMORGAN		01/28/2013	245,000.00	244,490.65	245,000.00	0.750		0.750	1,733	01/28/2018
60688TGZ6	11078	Mizuho Corp USA		12/12/2012	245,000.00	245,274.40	245,000.00	0.550		0.550	225	12/12/2013
786580X96	11043	Safra National Bank		07/31/2012	245,000.00	246,884.05	245,000.00	0.800		0.800	821	07/31/2015
795450NT8	11053	Sallie Mae Bank		08/08/2012	245,000.00	246,798.30	245,000.00	1.100		1.100	831	08/10/2015
84603M2H8	11046	Sovereign Bank		08/01/2012	245,000.00	245,938.35	245,000.00	0.850		0.850	457	08/01/2014

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Negotiable CD's												
94768NJD7	11081	Webster Bank		12/12/2012	245,000.00	247,293.20	245,000.00	1.000		1.000	1,686	12/12/2017
Subtotal and Average			6,623,166.67		6,615,000.00	6,636,045.75	6,615,000.00			0.889	924	
Federal Agency Issues - Coupon												
31315PQN2	10936	FARMER MAC		02/03/2011	3,000,000.00	3,027,120.00	3,000,000.00	1.340		1.340	278	02/03/2014
31315PA25	10984	FARMER MAC		07/27/2011	1,000,000.00	1,046,550.00	999,676.11	2.000		2.011	1,183	07/27/2016
31315PDZ9	10986	FARMER MAC		08/23/2011	2,000,000.00	2,085,960.00	2,057,980.87	2.375		1.042	812	07/22/2015
31315PKK0	11071	FARMER MAC		10/25/2012	2,000,000.00	2,002,100.00	2,000,000.00	0.650		1.053	1,638	10/25/2017
31315PXR5	11072	FARMER MAC		11/02/2012	2,000,000.00	2,000,060.00	2,000,000.00	0.700		0.700	1,647	11/03/2017
31315PYR4	11074	FARMER MAC		11/07/2012	3,000,000.00	3,000,480.00	3,000,000.00	1.020		1.020	1,651	11/07/2017
31315PWE5	11083	FARMER MAC		01/08/2013	3,000,000.00	3,008,730.00	2,999,485.42	0.930		0.935	1,713	01/08/2018
31315PNZ8	11086	FARMER MAC		01/30/2013	2,000,000.00	2,020,840.00	2,001,139.33	1.050		1.038	1,735	01/30/2018
31331XVVW8	10879	FEDERAL FARM CREDIT BANK		05/05/2010	500,000.00	523,675.00	513,152.46	5.000	AA+	2.192	359	04/25/2014
31331JQ55	10907	FEDERAL FARM CREDIT BANK		10/06/2010	1,000,000.00	1,013,510.00	1,000,000.00	1.150	AA+	1.150	523	10/06/2014
31331KCK4	10942	FEDERAL FARM CREDIT BANK		02/17/2011	1,000,000.00	1,031,810.00	1,000,000.00	2.030	AA+	2.030	657	02/17/2015
31331X2Q4	10947	FEDERAL FARM CREDIT BANK		03/01/2011	1,000,000.00	1,018,730.00	1,013,107.06	5.000	AA+	1.100	126	09/04/2013
31331VPV2	10954	FEDERAL FARM CREDIT BANK		04/01/2011	2,000,000.00	2,265,140.00	2,146,416.67	4.950	AA+	2.280	1,066	04/01/2016
31331KGN4	10955	FEDERAL FARM CREDIT BANK		04/07/2011	1,000,000.00	1,011,630.00	1,000,000.00	1.400	AA+	1.400	341	04/07/2014
3133EAA81	11041	FEDERAL FARM CREDIT BANK		07/30/2012	1,000,000.00	1,000,070.00	1,000,000.00	0.780	AA+	0.780	1,370	01/30/2017
3133EAX29	11060	FEDERAL FARM CREDIT BANK		09/18/2012	1,000,000.00	1,002,460.00	1,000,000.00	0.980	AA+	0.980	1,601	09/18/2017
3133EA2K3	11066	FEDERAL FARM CREDIT BANK		09/28/2012	1,000,000.00	1,000,040.00	1,000,000.00	0.450	AA+	0.450	880	09/28/2015
3133EA2H0	11067	FEDERAL FARM CREDIT BANK		10/01/2012	1,000,000.00	1,000,970.00	1,000,000.00	0.440	AA+	0.440	883	10/01/2015
3133EC5A8	11075	FEDERAL FARM CREDIT BANK		11/28/2012	2,000,000.00	2,004,200.00	2,000,000.00	0.870	AA+	0.870	1,671	11/27/2017
3133ECE26	11087	FEDERAL FARM CREDIT BANK		01/30/2013	1,000,000.00	1,000,100.00	1,000,000.00	0.940	AA+	1.022	1,735	01/30/2018
3133XY6S9	10899	FEDERAL HOME LOAN BANK		08/26/2010	1,000,000.00	1,009,240.00	1,004,843.22	2.000	AA+	1.002	181	10/29/2013
313373RC8	10956	FEDERAL HOME LOAN BANK		05/16/2011	1,000,000.00	1,013,200.00	1,001,050.52	1.250	AA+	1.164	455	07/30/2014
313376Q98	11007	FEDERAL HOME LOAN BANK		01/13/2012	2,000,000.00	2,013,960.00	2,000,000.00	1.125	AA+	1.125	1,353	01/13/2017
313378V56	11037	FEDERAL HOME LOAN BANK		04/30/2012	2,000,000.00	2,034,860.00	2,000,000.00	2.000	AA+	1.425	1,454	04/24/2017
313370TW8	11040	FEDERAL HOME LOAN BANK		07/25/2012	1,000,000.00	1,051,570.00	1,045,641.89	2.000	AA+	0.620	1,227	09/09/2016
313380C62	11049	FEDERAL HOME LOAN BANK		08/23/2012	2,000,000.00	2,000,600.00	2,000,000.00	0.500	AA+	1.031	1,575	08/23/2017
313380P92	11055	FEDERAL HOME LOAN BANK		09/26/2012	1,000,000.00	1,000,100.00	1,000,000.00	1.000	AA+	1.000	1,609	09/26/2017
313380MF1	11057	FEDERAL HOME LOAN BANK		09/18/2012	1,000,000.00	1,000,100.00	1,000,000.00	1.000	AA+	1.005	1,601	09/18/2017
3133824S9	11089	FEDERAL HOME LOAN BANK		02/27/2013	1,000,000.00	1,004,980.00	1,000,000.00	1.100	AA+	1.100	1,763	02/27/2018
3128X1CS4	10815	FEDERAL HOME LOAN MORTGAGE CO		10/27/2010	1,000,000.00	1,025,020.00	1,020,901.40	4.580	AA+	0.730	202	11/19/2013
3134G3EN6	11003	FEDERAL HOME LOAN MORTGAGE CO		12/30/2011	1,000,000.00	1,004,790.00	1,000,000.00	1.000	AA+	1.000	790	06/30/2015
3134G3GM6	11009	FEDERAL HOME LOAN MORTGAGE CO		01/13/2012	1,000,000.00	1,010,890.00	1,000,000.00	1.300	AA+	1.300	1,353	01/13/2017

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Federal Agency Issues - Coupon												
3134G3GX2	11010	FEDERAL HOME LOAN MORTGAGE CO		01/13/2012	2,000,000.00	2,012,800.00	2,000,000.00	1.400	AA+	1.400	1,353	01/13/2017
3137EADC0	11017	FEDERAL HOME LOAN MORTGAGE CO		01/30/2012	1,000,000.00	1,016,370.00	997,358.81	1.000	AA+	1.071	1,407	03/08/2017
3134G3MR8	11018	FEDERAL HOME LOAN MORTGAGE CO		02/13/2012	1,000,000.00	1,002,940.00	1,000,000.00	0.550	AA+	0.550	653	02/13/2015
3134G3NA4	11019	FEDERAL HOME LOAN MORTGAGE CO		02/28/2012	3,000,000.00	3,017,430.00	3,000,000.00	0.750	AA+	0.750	1,399	02/28/2017
3134G3MX5	11021	FEDERAL HOME LOAN MORTGAGE CO		02/24/2012	1,000,000.00	1,004,710.00	1,000,000.00	0.800	AA+	0.800	1,029	02/24/2016
3134G3NA4	11022	FEDERAL HOME LOAN MORTGAGE CO		02/28/2012	2,000,000.00	2,011,620.00	2,000,000.00	0.750	AA+	1.313	1,399	02/28/2017
3134G3MT4	11026	FEDERAL HOME LOAN MORTGAGE CO		02/24/2012	2,000,000.00	2,010,800.00	2,000,000.00	1.125	AA+	1.125	1,395	02/24/2017
3134G3SD3	11027	FEDERAL HOME LOAN MORTGAGE CO		03/28/2012	2,000,000.00	2,010,020.00	2,000,000.00	0.750	AA+	0.750	880	08/28/2015
3137EACT4	11034	FEDERAL HOME LOAN MORTGAGE CO		04/26/2012	1,000,000.00	1,062,900.00	1,050,961.71	2.500	AA+	0.810	1,122	05/27/2016
3134G3VH0	11038	FEDERAL HOME LOAN MORTGAGE CO		05/24/2012	5,000,000.00	5,003,350.00	5,000,000.00	1.200	AA+	1.200	1,484	05/24/2017
3134G3VD8	11039	FEDERAL HOME LOAN MORTGAGE CO		06/12/2012	2,000,000.00	2,021,060.00	2,000,000.00	1.250	AA+	1.250	1,503	06/12/2017
3134G32L3	11078	FEDERAL HOME LOAN MORTGAGE CO		12/26/2012	2,000,000.00	1,997,340.00	2,000,000.00	0.850	AA+	0.850	1,700	12/26/2017
3134G33B4	11082	FEDERAL HOME LOAN MORTGAGE CO		01/11/2013	1,000,000.00	1,000,930.00	1,000,000.00	1.000	AA+	1.000	1,716	01/11/2018
3137EADJ5	11095	FEDERAL HOME LOAN MORTGAGE CO		04/23/2013	3,000,000.00	3,042,780.00	3,042,586.89	1.000	AA+	0.660	1,549	07/28/2017
3137EAG4	11096	FEDERAL HOME LOAN MORTGAGE CO		04/26/2013	5,000,000.00	5,805,100.00	5,809,949.78	5.500	AA+	0.420	1,174	07/18/2016
3136FRUP6	10967	FEDERAL NATIONAL MORT ASSOC		07/15/2011	3,000,000.00	3,011,100.00	3,000,000.00	2.000	AA+	2.000	1,171	07/15/2016
3136G0VA6	11050	FEDERAL NATIONAL MORT ASSOC		08/14/2012	1,000,000.00	999,850.00	1,000,000.00	0.625	AA+	1.226	1,566	08/14/2017
3136G0D57	11054	FEDERAL NATIONAL MORT ASSOC		09/27/2012	1,000,000.00	1,001,430.00	1,000,000.00	0.500	AA+	1.240	1,610	09/27/2017
3136G0D24	11061	FEDERAL NATIONAL MORT ASSOC		09/25/2012	1,000,000.00	1,001,560.00	1,000,000.00	0.500	AA+	1.093	1,608	09/25/2017
3136G0F97	11065	FEDERAL NATIONAL MORT ASSOC		09/27/2012	1,000,000.00	1,002,110.00	1,000,000.00	0.625	AA+	1.179	1,610	09/27/2017
3136G0SR7	11076	FEDERAL NATIONAL MORT ASSOC		11/28/2012	1,000,000.00	1,001,410.00	1,000,000.00	0.500	AA+	1.068	1,671	11/27/2017
3135G0PQ0	11100	FEDERAL NATIONAL MORT ASSOC		04/26/2013	3,000,000.00	3,020,160.00	3,020,486.57	0.875	AA+	0.720	1,639	10/26/2017
Subtotal and Average			87,784,325.62		90,500,000.00	92,289,255.00	91,724,738.71			1.060	1,285	
Medium Term Notes												
88579EAE5	10895	3M Company		07/20/2010	1,000,000.00	1,011,540.00	1,008,978.16	4.375	AA-	1.200	106	08/15/2013
06738KXV8	10989	Barclays Bank		10/28/2011	3,000,000.00	3,062,250.00	3,000,000.00	4.375	A+	3.287	1,276	10/28/2016
06366RHA6	11056	Bank of Montreal		09/11/2012	1,000,000.00	1,003,880.00	1,001,133.89	1.400	A+	1.373	1,594	09/11/2017
084664AD3	10714	Berkshire Hathaway		01/18/2008	1,000,000.00	1,018,900.00	1,001,294.86	4.625	AA+	4.300	167	10/15/2013
191216AN0	10924	COCA-COLA		11/22/2010	1,085,000.00	1,067,821.00	1,083,562.08	0.750	AA-	1.000	198	11/15/2013
36962G4T8	10925	General Electric		11/19/2010	1,000,000.00	1,035,010.00	989,210.53	2.250	AA+	2.710	922	11/09/2015
36962G4X9	10935	General Electric Capital Corp		01/10/2011	2,000,000.00	2,024,680.00	1,999,291.92	2.100	AA+	2.154	251	01/07/2014
36962G5N0	11011	General Electric Capital Corp		01/10/2012	2,000,000.00	2,120,040.00	2,002,214.56	2.900	AA+	2.668	1,349	01/09/2017
36962G5M2	11012	General Electric Capital Corp		01/10/2012	2,000,000.00	2,051,460.00	2,002,592.03	2.150	AA+	2.070	618	01/09/2015
36962G4N1	11024	General Electric Capital Corp		02/22/2012	2,000,000.00	2,015,780.00	1,984,899.92	1.060	AA+	1.433	832	08/11/2015
594918AB0	10821	MicroSoft Corp		08/17/2009	1,000,000.00	1,029,250.00	1,000,000.00	2.950	AAA	2.949	396	06/01/2014

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Medium Term Notes												
89233P4H6	10945	Toyota Motor Credit Corp		02/23/2011	1,000,000.00	1,002,800.00	1,000,234.04	1.375	AA-	1.290	103	08/12/2013
89233P5S1	11015	Toyota Motor Credit Corp		01/13/2012	1,000,000.00	1,036,920.00	1,003,151.78	2.050	AA-	1.960	1,352	01/12/2017
89233P5Z5	11023	Toyota Motor Credit Corp		02/17/2012	2,000,000.00	2,020,980.00	1,998,205.56	1.000	AA-	1.102	657	02/17/2015
931142CN1	10820	Wal-Mart Stores		08/14/2009	2,000,000.00	2,040,700.00	2,001,376.06	3.000	AA	2.902	278	02/03/2014
931142CT8	10928	Wal-Mart Stores		12/15/2010	1,000,000.00	1,039,880.00	1,000,761.61	2.250	AA	2.213	798	07/08/2015
Subtotal and Average			26,011,229.58		24,085,000.00	24,601,891.00	24,076,907.00			2.242	724	
Total and Average			163,304,444.50		170,945,000.00	173,272,191.75	172,161,645.71			0.982	822	

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity
Average Balance			0.00	Accrued Interest at Purchase		82,006.66	82,006.66	0			
				Subtotal		82,006.66	82,006.66				
Total Cash and Investments			163,304,444.50	170,945,000.00		173,354,198.41	172,243,652.37	0.982		822	



CITY OF TORRANCE FISCAL AGENT FOR SUCCESSOR RDA
RESTRICTED CASH BALANCE REPORT
April 30, 2013

	Book Value
Bank of America City of Torrance Successor RDA Agency Account # xx-046	18,849.43
Bank of America City of Torrance Successor RDA Agency - Low Mod Account # xx-140	10,392.60
Local Agency Investment Fund (LAIF) City of Torrance Successor RDA Agency Account# -xx-3001	<u>1,700,000.00</u>
TOTAL	<u><u>\$ 1,729,242.03</u></u>

**CASH AND INVESTMENTS PER BOOKS
AS OF APRIL 30, 2013**

FUND	CASH & INVESTMENTS PER BOOKS	PERCENT OF TOTAL
General	49,320,312.62	28.43
Parks & Rec Facility & Open Space	4,138,225.25	2.39
State Gas Tax	12,770,061.07	7.37
Federal Housing, Community Dev	874,972.24	0.50
Street Lighting	27,060.00	0.02
Traffic Congestion Relief Act 2000 - AB2928	-	0.00
Proposition 1B	1,852,074.49	1.07
Police Asset Forfeiture	4,562,964.64	2.63
Drainage Improvement	19,444.47	0.01
Measure R Local Return	3,797,492.50	2.19
Government Cable	4,310,288.59	2.49
Local Return - Proposition C	3,582,348.83	2.07
TDA Article 3 Bicycle Fund	108.98	0.00
Grants/Donations	(114,518.31) (A)	(0.07)
CDBG Fund	(984.83) (B)	0.00
Citizens Options for Public Safety (COPS) Grant Funds - AB3229	308,685.43	0.18
Seismic Education Fund	64,521.25	0.04
Rehabilitation Housing	686,334.73	0.40
Meadow Park Parking Lot	47,652.22	0.03
Police Inmate Welfare Fund	60,813.06	0.04
Capital Improvements	19,234,463.25	11.10
Geologic Hazard Abatement	14,316.64	0.01
El Camino Training Fund-Fire	136,319.70	0.08
El Camino Training Fund-Police	10,000.00	0.01
Vanpool/Rideshare Fund	27,581.80	0.02
Torrance Public Financing - 1998 COP Fire/Police	(27,231.14) (C)	(0.02)
Animal Control Fund	-	0.00
Successor Agency - Skypark Capital Project	-	0.00
Successor Agency - Downtown Capital Project	-	0.00
Successor Agency - Industrial Capital Project	-	0.00
Successor Agency - Low Mod Housing Capital Project	3,754.94 (D)	0.00
Successor Agency - Downtown Debt Service	16,176.85 (E)	0.01
Successor Agency - Skypark Debt Service	-	0.00
Successor Agency - Industrial Debt Service	148,321.07 (F)	0.09
Underground Storage Tank Fund	-	0.00
DNA Sampling Fund	86,160.00	0.05
Airport Fund	6,404,498.08	3.69
Transit Operations	9,325,562.28	5.38
Development Impact Fund	1,068,174.15	0.62
Water Operations	8,232,090.93	4.75
Emergency Medical Service Enterprise Fund	-	0.00
Sanitation Operations	(740,113.85) (G)	(0.43)
Cultural Arts Enterprise	7,763.93	0.00
Sewer Enterprise Fund	9,201,117.56	5.31
Parks & Recreation Enterprise Fund	-	0.00
Self Insurance Fund	6,534,350.68	3.77
Fleet Services	16,678,956.20	9.62
Postemployment/Compensated Absences Fund	7,572,331.65	4.37
Trust & Agency	3,087,278.06	1.78
TOTAL CASH AND INVESTMENTS PER BOOKS	173,329,730.01	100.00

Account in Trust - RDA Successor Agency-Low Mod Housing

10,392.60 (H)

Redev Obligation Retirement Fund

1,718,849.43 (I)

- (A) T-030 Del Amo Blvd. extension project - Federal Grant MTA pass thru has a negative cash balance of <\$202,333.56>. Reimbursement check of \$559,191.26 was received on April 29, 2013. The remaining balance of \$202,322.91 represents the retention held by State. The final check will be sent by May 2013.
- T-030 Del Amo Blvd. extension project - MTA Grant has a negative cash balance of <\$225,221.50>. Reimbursement check of \$34,858.77 was received on May 6, 2013. METRO is holding approximately \$698,000 of retention and will issue the final check to City when completing their review.
- T-131 Intersection Improvements - Measure R HW - MTA Grant has a negative cash balance of <\$266,266.46>. Quarterly reimbursement check of \$167,796.43 was received on May 21, 2013.
- FEAP764 Torrance Transit Terminal project - Measure R HW-MTA Grant has a negative cash balance of <\$176,438.38>. Quarterly reimbursement check of \$85,711.95 was received on May 21, 2013.
- FEAP810 Pueblo Park Renovation - County Grant has a negative cash balance of <\$82,736.90>. As per Department, this grant requires additional paperwork before the reimbursement request can be submitted. Department is planning to submit the request around late May or early June 2013.
- FEAP765 2010 Buffer Zone Protection Plan Grant has a negative cash balance of <\$120,807.76>. Reimbursement request has been submitted to the County in January 2013.
- (B) I-135 Sidewalk Repair - County Grant has a negative cash balance of <\$964.83>. Department will submit a reimbursement request when more expenses are accumulated.
- (C) The reimbursement request from the Construction Fund for the Certificates of Participation Series 2004 A&B in the amount of \$27,231.14 was received on May 10, 2013.
- (D) Funds will be used to pay Coleman Court and Ocean Terrace Senior rental subsidy.
- (E) Residuals that will be used to pay September 1, 2013 Downtown bonds debt.
- (F) Residuals that will be used to pay September 1, 2013 Industrial bonds debt.
- (G) Sanitation Operations Fund has a negative fund due to the purchase of green waste and refuse containers from Toter, Inc. for \$613,481 in May 2012 & \$500,176.05 in Sep 2012. We anticipate future revenues to cover this deficit.
- (H) The cash balance of RDA Successor Agency (SA) Low Mod Fund is in a separate Bank of America account. The DOF letter dated November 9, 2012 allowed Successor Agency of RDA to transfer \$3,192,500 from Low Moderate Income Housing Successor Agency Fund to pay RDA bonds debt service.
- (I) The cash balance of Redev Obligation Retirement Fund for \$18,849.43 is in a separate Bank of America account and \$1.7M is in a separate LAIF account.



City of Torrance
Investment Report
April 2013

**CASH AND INVESTMENTS RECONCILIATION
AS OF APRIL 30, 2013**

INVESTMENTS PER PORTFOLIO SUMMARY		\$ 172,161,645.71
Cash in Bank of America General Account	\$ 1,427,455.42	
Cash in Bank of America Housing Account	<u>1,578,983.43</u>	3,006,438.85
TOTAL FUNDS PER INVESTMENT REPORT		\$ 175,168,084.56
OUTSTANDING WARRANTS:		
General Account	\$ (1,172,706.06)	
Payroll Account	(75,940.12)	
Workers' Compensation Account	(118,496.44)	
Housing Account	<u>(16,094.08)</u>	(1,383,236.70)
MISCELLANEOUS OUTSTANDING ADJUSTING JOURNAL ENTRIES:		
04/29/13 Receipts interfaced on 05/01/13	\$ (140,605.36)	
04/30/13 Receipts interfaced on 05/01/13	(15,924.95)	
04/30/13 Receipts interfaced on 05/02/13	(343,438.80)	
04/12/13 Receipts discrepancy interfaced on 04/12/13	(0.20)	
04/30/13 Local water interface variance posted in 05/13	(306.91)	
04/2013 Deposit in transit	<u>45,158.37</u>	(455,117.85)
TOTAL CASH AND INVESTMENTS PER BOOKS		\$ 173,329,730.01